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TRADE AND DEVELOPMENT BOARD
Committee on Shipping
Ad hoc Intergovernmental Group
of Port Experts
Geneva, 24 September 1990
Agenda item 7

DRAFT REPORT OF THE AD HOC INTERGOVERNMENTAL GROUP OF
PORT EXPERTS ON ITS SECOND SESSION

held at the Palais des Nations, Geneva,
from 24 to 28 September 1990

Rapporteur: Mr. A. de Wilde (Belgium)

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INTRODUCTION

1. The Ad hoc Intergovernmental Group of Port Experts was convened at Geneva, from 24 to 28 September 1990, in response to resolution 61, section IV (XIII) of the Committee on Shipping, adopted on 22 March 1988, which, inter alia:

"Invites the Secretary-General of UNCTAD to convene, within available resources, not later than the third quarter of 1989, an ad hoc intergovernmental group of port experts to review the practical problems which arise in respect of the development, improvement and operation of ports, and in the light of this review:

(a) To examine the secretariat's work in relation to the three highest priority studies requested at the first session of the Group, namely:

- (i) Problems arising in setting up trans-shipment facilities in developing countries (taking account of the interests of both ports and ship operators);
- (ii) Data processing in the domain of port operation and documentation;
- (iii) Maintenance of port equipment;

and study

- (iv) The possibilities for regional co-operation in developing countries in the field of ports, with a view to ensuring the best use of scarce resources;

and to propose follow-up action appropriate for local, national and intergovernmental consideration.

(b) To review and monitor the work carried out by UNCTAD in the field of port management training and advisory services and to make suggestions for future activities.

(c) To prepare a report, with recommendations for the future work of the secretariat, for submission to the Committee on Shipping at its fourteenth session.

Recommends that States members of UNCTAD participate in the ad hoc intergovernmental group of experts on ports by sending persons with special responsibility for, or expertise in, port policy or the management and operation of ports".

2. During the Group's session, it held [...] plenary meetings, and a number of informal meetings. Its substantive discussions, under agenda items 3, 4 and 5, were mainly conducted in the informal meetings, in accordance with the decision taken at its opening plenary, on 24 September 1990.

A. Introductory statement

3. The Director of the Shipping Division, speaking on behalf of the Secretary-General of UNCTAD, observed that there were many port directors and high officials from port authorities among the delegates participating in the second session of the Ad hoc Intergovernmental Group of Port Experts. This was surely an expression of the interest and confidence vested in UNCTAD. Since the first session of the Group four years ago in March 1986, the report of that meeting had been submitted to the twelfth session of the Committee on Shipping which, in taking note of it, had invited the secretariat to adapt its work programme accordingly. In March 1988, at its thirteenth session, the Committee on Shipping had requested the secretariat to again convoke an ad hoc intergovernmental group of experts.

4. The key issues retained for examination by the Group - port development, operation and administration - were particularly relevant and should, the Director believed, probably stand as the main themes for the future analytical work by the secretariat, if the Group so agreed. As requested, four studies had been prepared for the session, namely, trans-shipment, computerization, co-operation among ports and maintenance of equipment. In addition, a fifth study had been financed from extrabudgetary resources. It described an interesting experiment carried out by Morocco in the field of port organization, administration and improvement.

5. With regard to the substantive aspects of the agenda items, the Director underlined the new role of ports in country development. No longer simply places where goods were transferred between land and sea, certain ports had become veritable service centres and played a leading role in stimulating international trade. Promotion of trade, and electronic data processing and exchange for greater quality/cost efficiency were two examples of this evolution. Participants were invited to provide further information on developments in the area of distribution and storage, creation of industrial or commercial zones, trans-shipment and transit routes for land-locked countries.

6. Technical assistance and training activities were also important in the secretariat's view. The Director thanked the generous donors who were giving

financial support to these efforts: Belgium, Canada, France, the Netherlands and Sweden. Further funding would soon be needed to help the developing countries, however. Integration of the various training programmes carried out by the secretariat - IPP, TRAINMAR, JOBMAR and the seminars and fellowships - was being given high priority. Co-operation with IMO and ILO had been strengthened through the establishment two years ago of a joint task force. UNCTAD co-operation with the World Bank had been particularly fruitful in producing training materials on port equipment maintenance for container terminals. The United Kingdom had joined in to give considerable support to basic research in this regard.

7. As for the future work programme, the Director foresaw a dynamic expansion in the role of ports, as the sea would remain the main transport vector and ports would become more and more a motive force in the transport chain. The challenge would be to aid in this transition through analysis and research, technical assistance and training, particularly since developing countries may not have the means at their disposal to carry out the essential studies. In the light of their experience, the advice of delegates on this subject was especially welcomed.

B. Organization of work

8. The task of the Ad hoc Group was first to review practical problems and then, in the light of this review, to examine studies, review activities and make recommendations for submission to the Committee on Shipping. Upon adopting the agenda, the Group decided to start the examination of those problems directly linked to the five studies.

Chapter I

PORT DEVELOPMENT: OPERATIONS AND ADMINISTRATION

(Agenda item 3)

9. The substantive discussions on this item and on agenda items 4 and 5 took place in informal meetings, as decided by the Ad hoc Group at its opening plenary meeting. For the consideration of this item, the Group had before it the following documents submitted by the UNCTAD secretariat: TD/B/C.4/AC.7/7, AC.7/8, AC.7/9, AC.7/10, AC.7/11 and UNCTAD/SHIP/627.

10. Introducing the item, the Chief of the Ports Section, UNCTAD, Shipping Division, underlined the fact that the development, operation and administration of ports were closely interrelated activities. The five studies covered areas of particular relevance today for the development, operation and administration of all ports and particularly those in developing countries. Document TD/B/C.4/AC.7/7, chapter. I, contains a summary of the content and recommendations of the five studies, dealing respectively, with the establishment of trans-shipment facilities in developing countries, the use of computers in ports, maintenance of port equipment, co-operation among ports, and port organization and administration. The secretariat introduced the five studies, indicating the major issues and making suggestions for follow-up action by the Group.

Chapter II

PORT MANAGEMENT TRAINING AND TECHNICAL CO-OPERATION

(Agenda item 4)

11. This item and the corresponding document TD/B/C.4/AC.7/7 Part II were introduced by the Chief of the Ports Section along with other members of the secretariat. It was emphasized that technical co-operation and training activities complemented the analytical work. They had always formed an important part of the overall work programme of UNCTAD in relation to ports. Training alone had represented more than 50 per cent of the technical assistance budget over the past year. Recently an evaluation of the programme had been made and presented to the Committee on Shipping (document TD/B/C.4/331 and Add.1). In the training field, the recommendation was to strengthen co-ordination among the various training activities: IPP, TRAINMAR, JOBMAR, seminars, etc. Hence a new training strategy had been devised and was being applied to the field of port equipment. These activities were financed from extrabudgetary resources, including assistance from UNDP and donor countries such as Sweden, Netherlands, France and Canada.

Chapter III

WORK PROGRAMME

(Agenda item 5)

12. For the consideration of this item, the Ad hoc Group had before it the document on Port Development (TD/B/C.4/AC.7/7) which was introduced by the Chief of the Ports Section. He emphasized the fact that the secretariat's research activities should explore and define ports at the beginning of the next millenium. Great foresight was required. New developments taking place or envisaged in fields directly or indirectly related to port activities had to be taken into account. He gave a brief indication of the expected changes in the transport sector and the corresponding expected new role of the port as a service centre and a key element in the integrated transport chain. Accordingly, he suggested some themes for future investigation, including the updating of selected studies undertaken in the early 1970s.

Chapter V

ORGANIZATIONAL MATTERS

A. Opening of the session

13. The second session of the Ad hoc Intergovernmental Group of Port Experts was opened on 24 September 1990 by the Director of the Shipping Division, who made an introductory statement. 2/

B. Election of officers (Agenda item 1)

14. At its first opening plenary meeting, the Ad hoc Group elected the following Bureau:

Chairman: Mr. J.M. Moulod (Côte d'Ivoire)

Vice-Chairman: Mr. A.Y. Shutka (USSR)

Rapporteur: Mr. A. de Wilde (Belgium)

C. Adoption of the agenda and organization of work (Agenda item 2)

15. At its opening meeting, the Ad hoc Group adopted the provisional agenda in document TD/B/C.4/AC.7/6, as follows:

1. Election of officers
2. Adoption of the agenda and organization of work
3. Port development: Operations and administration
4. Port management training and technical co-operation
5. Work programme
6. Other business
7. Adoption of the report of the Ad hoc Intergovernmental Group to the Committee on Shipping.

16. The Ad hoc Group endorsed the organization of work suggested in document TD/B/C.4/AC.7/6. At its 1st plenary meeting, it decided to hold the main body of its discussions in informal meetings. 3/

D. Membership and attendance 4/

17. The following States members of UNCTAD were represented at the session: Algeria; Australia; Bahrain; Belgium; Cameroon; Côte d'Ivoire; Democratic People's Republic of Korea; Egypt; France; Gabon; Gambia; Germany, Federal Republic of; Ghana; Guinea; Haiti; India; Indonesia; Iraq; Italy; Kenya; Mali; Malta; Mauritius; Mexico; Morocco; Nigeria; Norway; Papua New Guinea; Philippines; Poland; Portugal; Republic of Korea; Saudi Arabia; Senegal; Somalia; Spain; Thailand; Togo; Turkey; Union of Soviet Socialist Republics; United Republic of Tanzania.

18. The following specialized agencies were represented at the session: International Labour Organisation; World Bank.

19. The following intergovernmental organizations were represented at the session: League of Arab States; Ministerial Conference of Western and Central African States on Sea Transport; Organization of African Unity.

20. The following non-governmental organizations were represented at the session: Special Category: International Association of Ports and Harbours; International Container Bureau; Ibero-American Ports and Coasts Association.

Notes

2/ See paras. ... above.

3/ See paras. ... above.

4/ For the list of participants, see TD/B/C.4/AC.7/Misc.2.



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ANNEX I

Chairman's Summary of Informal Discussions
on Items 3, 4 and 5

1. The Group stated that the study on transshipment facilities was of a high quality and its content and conclusions should be of interest to many countries, in particular developing ones. The ports deciding to embark on the development of transshipment facilities were taking a risk if they did not have sufficient national cargo to justify the heavy investments or if they were located far from the main maritime routes. In any case, the decisions to develop such facilities required in-depth investigation and feasibility studies. On the issue of transshipment, the Group had benefited from the experience of Malta; more than \$200 million had been invested to establish transshipment facilities at Marsaxlokk. However, the facilities had remained under-utilized for four years. To attract traffic, legal, organizational and operational changes were necessary. Legislation was required to create a free port; an autonomous port corporation had been established; a new labour agreement had been negotiated and a joint venture was established to operate the terminal. This terminal was now handling a throughput of 100 000 TEU per year, but the estimated break-even point was 400 000 TEU per year.

2. Although regional co-operation should help to reduce over-investment in transshipment facilities, no experience of such co-operation was found in the study. The Group therefore recommended that further co-operation to this end should be promoted. Shipowners should be associated, to the extent possible, in the establishment of such facilities. The high quality of services required in transshipment terminals stimulated overall ports improvement, whether or not the level of traffic expected was attracted. Concern was also expressed over the additional investment required for changes in container size standards. The Group recognized that, in certain countries, transshipment services could facilitate expansion and accordingly foster the regional development desired through the establishment of feeder services which did not require heavy port investments. The Group believed that transshipment was a subject which merited further study by the Shipping Committee because of its wider field of competence, particularly in respect of the key role shipowners play in the development of transshipment networks and government policy for the promotion of national fleets.

3. The Group congratulated the secretariat on the quality of its report on the use of computers and noted the importance of training staff and developing the appropriate software. The need was stressed to plan carefully the development of computerization and to involve all parties. The interchange of information within ports and from country to country was increasing, particularly with the development of international standards for Electronic Data Interchange. Training programmes, as recommended in the UNCTAD studies, should be given priority in UNCTAD's future programme. The Group also took note of the draft study which concentrated on three operational information systems. The descriptions contained in the study would assist in the development of computer systems. It was suggested that information should be provided on the difficulties encountered in designing and implementing information systems.

4. The Group noted that maintenance of port equipment was a major problem for ports in developing countries as they were neither producers of equipment nor of spare parts. Often port organizations needed to obtain spare parts directly from the manufacturers of components rather than from the supplier. The recommendations jointly developed by UNCTAD and the World Bank presented in the study were endorsed by the Group. The investigation made to cover comprehensively such a topic was commended for its high quality.

5. The Group recalled the need to make Governments and port authorities aware of the problems and of the need to streamline procedures for procuring spare parts. The importance of preparing for maintenance from the initial stage of procurement of equipment was also stressed. Such an approach was important particularly for large investments, such as ship-to-shore container gantry cranes. Difficulties with procurement of equipment and spare parts in some ports had been resolved by contracting out cargo-handling activities to private contractors. In some cases, these measures had not solved the problem completely. For certain widely used equipment, maintenance could be contracted out, but some ports preferred to carry out maintenance tasks themselves, particularly in the case of specialized equipment crucial for operation and

unique to the terminal, for example, gantry cranes, etc.. Ports organizations aware of local operating conditions could co-operate with manufacturers to produce equipment designs better suited to their unique operations. One aspect of equipment maintenance was the availability of qualified personnel. Hence technical institutes for training technicians and supervisors should be used to providing basic training of staff from the ports industry. A balance must be found between the number of different makes of each type of equipment: offering a choice but limited in terms of spares required. To this end, donors should be more flexible in assisting ports to standardize equipment.

6. The Group paid tribute to the high quality of the report on co-operation among ports in developing countries. It had provided a very detailed explanation of the efforts of the Committee of International Development of the IAPH to promote co-operation. The Group noted that the sister port scheme had been replaced by the more practical "regional port seminar scheme".

7. The different modalities whereby co-operation could be developed was discussed and the Group agreed that technical co-operation could be carried out on an ad hoc basis or be more formal and rely, for example, on a protocol of agreement of co-operation. Co-operation was recognized as a very useful feature in the event of disaster or pollution.

8. The Group was also informed about the activities of the Asean Port Authorities Association. Further, the Group was told of the activities carried out in the port management associations active in three regions of Africa, namely, West and Central Africa, East and Southern Africa and North Africa. It was pointed out that a number of co-operative activities had been carried out in those associations. They ranged from harmonization of tariff structures and statistics to assessments of future scenarios for port development. Special mention was made of co-operative efforts in the field of training, notably the activities of the regional maritime academies, and the TRAINMAR co-operative network of training institutions.

9. Furthermore, the Group learned that training was an area in which ILO had implemented fruitful co-operative activities. The resources of several Latin American countries had been pooled so as to produce courses. In the process they had also been able to exchange materials and staff. Finally, the Group endorsed the recommendations of the study, namely to concentrate on co-operation in the fields of (a) training, (b) participation in regional/international port associations and (c) exchange of technical expertise.

10. The Group agreed that, in the field of co-operation, training was an important element to be considered because for good results qualified managers were necessary. Moreover the field of maintenance was also amenable to co-operation as exemplified by some far east Soviet ports where stocks were purchased and stored centrally for distribution on demand to neighbouring ports.

11. The Group noted that co-operation should be strengthened through support of regional and interregional associations and by making greater use of regional and national expertise from ports of developing countries.

12. In the field of port administration and organization, the Group heard from the General Manager of ODEP on the experience of Morocco (UNCTAD/SHIP/627). When a port is embarking in a major reorganization exercise to improve productivity there are two main objectives: firstly to take great care of the requirements of the user; and secondly to involve and motivate port personnel. There are also three basic conditions:

- Strong political will to introduce changes,
- Qualified and motivated people in key positions,
- Sufficient resources.

13. The five keys to success are:

- To develop good communications (within and outside the organization),
- To have a strong will to be successful,
- To adopt rigorous management rules,
- To avoid wastage of resources,
- To achieve results in the short term thus assuring long-term change.

14. In addition, the following aspects will help in obtaining good results:

- The top management has to set an example,
- Management should take an interest in the work of employees and visit them often,
- Order and good "housekeeping" are required,
- Action plans and strategic plans are needed,
- The management should personally take responsibility for specific tasks,
- Impartiality is required,
- Commitments should be followed up and implemented.

15. The presentation on the reorganization of ODEP generated great interest. Questions raised covered various issues including the social aspects and the involvement of personnel, as well as the impact on other government organizations, such as customs, etc. The Group also discussed the issue of private and public participation in the administrative board of the organization. It was emphasized that the achievement of such results needed freedom from excessive administrative and financial controls. The Group agreed that in order to achieve similar results it was implicit that the necessary means would be available, including financial resources; this in turn implied having the possibility to adjust port tariffs to meet the needs. The Group showed great interest in the creation of small operational autonomous units, such as in Morocco, with the allocation of all necessary means including equipment and personnel.

16. In the field of port development and operations, it was suggested that developing countries which cannot afford to invest in large transshipment ports should investigate the possibility of becoming a "niche player" in fields complementary to the main traffic. The new services provided by modern ports, in particular in the field of distribution, was emphasized. Distribution requires the availability of an excellent logistics system, including electronic data processing. The Group also examined the issue of privatization in relation to port development. Several comments were made on the suitability of this approach as it depended on the situation prevailing in the country, taking into account elements such as the maturity of the private sector and its capacity to invest in port facilities and equipment.

17. In concluding this item, the Chairman underlined the fact that most of the key issues relating to the development, improvement and administration of ports had been reviewed during the debates. The key point of state control on the port, autonomy and privatization had been discussed. Port organizations were like other organizations in that they should be managed and developed as enterprises. The quality of services rendered to the port users was important. The personnel had to be motivated and factors other than salary were important in this regard. The Group recognized that the question of surplus labour was an important problem. The role of the port was evolving from one of cargo handler to that of provider of multiple services to users. The port was a vital factor in national development, particularly in developing countries where very often more than 90% of the foreign trade goes through the ports.

18. The Group was unanimous in its emphasis on the importance of training. It underlined the fact that although UNCTAD had done much in this field, there was still a lot to be done. In particular it believed that more work such as that done by TRAINMAR in strengthening local training capability was needed.

19. The Group was pleased to learn that co-operation among UNCTAD, ILO, IMO in the field of port training was now underway. It suggested that the results of this collaboration be published. The Group supported the integrated approach to training developed by UNCTAD as it allows for the participation of international organizations and other parties in training activities. The Group advised that all training activities should form part of human resources development policy, an approach that should not be restricted only to developing countries.

20. On the question of the status to be given to trainers and the training centres, the Group deemed it important that this problem be tackled from the outset so as to avoid wastage of resources and to ensure that any staff assigned to a training centre be given career development prospects. On the related point of establishment of training centres on a national or regional basis, there was agreement to encourage and support such a trend and to include in the list of countries to be assisted those maritime countries of Eastern Europe which had recently changed their political and economic systems.

21. The need to match trainee requirements with the training provided was underlined by the Group, particularly for the activities of the JOBMAR programme and the training activities carried out in Spain by the Ibero-American Ports and Coasts Association for the benefit of Latin American trainees.

22. The Group emphasized that training should be given high priority. It welcomed the strengthening of co-operation within the United Nations system itself and among other organizations. It further supported the recommendations of the evaluation of the UNCTAD programme and, accordingly, the new orientation given to IPP and TRAINMAR which would to strengthen their coherence and complementarities. The Group underlined how essential support from donor countries and financial institutions was for strengthening the human resources of ports in developing countries.

23. The Group congratulated the secretariat on the quality of the work done in the field of technical assistance for the benefit of developing countries. Co-operation with other organizations such as IMO and ILO was noted and was to be encouraged. There were some cases where technical assistance projects had to be terminated when they were at an advanced stage of implementation because of lack of funds. This should be avoided. The Group took note of the UNDP-financed regional project on Human Resources and Institutional Developments in African Ports and expressed interest in the approach adopted. The Group would welcome more information on the results achieved. The study had shown, inter alia, that managers could obtain good results if not hampered by excessive regulation and control. The Group invited donor countries and financial institutions to continue providing financial support to the various national, regional and inter-regional UNCTAD programmes and hoped that the advisory programme for the implementation of UNCTAD studies could be extended.

24. The Group was informed that some developing countries were contributing financially to the UNCTAD technical assistance programmes in the field of ports. This was seen as a clear recognition of the high quality and the importance of this assistance. This participation should encourage donor countries and financial institutions to contribute.

25. Several delegates from developing countries had emphasized how important it was for them to have the UNCTAD secretariat play the role of research and reference centre in the field of ports, since very often developing countries did not have the means to establish such centres. There was a need to consider in the future work programme the specific needs of the countries of Eastern Europe which had shifted from a centralized economy to a market-oriented and decentralized system. There was also a need to ensure that improvements made by a port would benefit that port and the country that had made them, and not only the shipping companies. The Group wished to draw the attention of the Committee on Shipping to this issue so that appropriate action could be taken.

26. The Group agreed that five studies, if possible, should be prepared by the secretariat in the following areas:

- (i) Basic principles in the fields of port administration and operations,
- (ii) The port as a service centre, including promotion of the port area,
- (iii) Development of human resources,
- (iv) By-laws and regulations for ports,
- (v) Strategic planning.

27. Further, the Group recommended that the following subjects should be studied whenever sufficient resources were available :

- (i) Port tariffs and finance,
- (ii) The relationship between cities and ports,
- (iii) Transshipment (case study).

28. On the question of dissemination of information, the Group requested the secretariat to continue the practice of issuing an annual Newsletter which should be addressed to all maritime countries without exception. As for the content of the Newsletter, the agreements reached in the ILO/IMO/UNCTAD Working Group on port training should be included in it. Technical information of interest to all ports, such as new developments in container

29. For the monographs that UNCTAD has been publishing in conjunction with IAPH, the Group commended the results achieved so far. Following the presentation made on a forthcoming monograph on multipurpose terminals, the Group appealed to other qualified specialists in developed and developing countries alike to contribute further monographs. It also requested the secretariat to make every effort to disseminate these useful publications to developing countries.

30. The Group also recommended the extension of the informal network of focal points to all countries, so that the information reached those directly concerned. Each focal point should in turn distribute the information within the country.

31. On the question of the frequency of meetings, there was consensus on convening a meeting every three years. Therefore, the next meeting of the Group should be convened between the 15th and 16th sessions of the Committee on Shipping, so that the 16th session could review the recommendations made. It was also suggested to combine this meeting with a seminar for top management on topics such as computerization and EDI in order to justify the travel costs for participants coming from distant countries. It was strongly recommended that future studies should be circulated to the countries, including to the focal points, at least two months prior to a meeting.



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Agenda items 3, 4 and 5

PORT DEVELOPMENT, OPERATIONS AND ADMINISTRATION
PORT MANAGEMENT TRAINING AND TECHNICAL CO-OPERATION
WORK PROGRAMME

Draft recommendations of the Ad hoc Intergovernmental Group
of Port Experts to the Committee on Shipping

Text proposed by the Chairman

1. During its closing meeting on 28 September 1990, the Group adopted the following recommendations proposed by the Chairman. These recommendations will be submitted to the Committee on Shipping for consideration at its fifteenth session, as required by resolution 61 (XIII). They are classified under two headings: general recommendations on port development, improvement and operations, and recommendations relating to the activities of the UNCTAD secretariat, namely the technical assistance and training programme and the future study programme.

A. General recommendations on port development, improvements and operations

2. The foreseeable evolution of international trade and of the transport activities connected with it, in particular shipping activities, put the port, or to be more precise, the port area and the community that serves it, in a position to play a wider role than in the past, converting itself into a "service centre" and becoming one of the driving forces in the development of the trading activities of the country or region. Governments and ports that have not already done so are recommended to anticipate these changes, to prepare for them and to facilitate their implementation when to do so is in the interest of the country. All the conditions must be favourable for these changes to be beneficial and for the port to be able to play this new role. In essence, the port authorities themselves are called upon to define and apply the changes in structure, in practices and in outlook needed in order to improve performance and to be more efficient. The authorities under whose jurisdiction the port lies should encourage these improvements by acknowledging the specific nature of the port as a bridge between the country and the outside world, by promoting the decentralization of decision-making, autonomy, and commercial methods, and, when this is in the interests of the countries concerned, by privatizing some port functions and activities. The controls that are often necessitated by the public nature of some port services and installations should be carried out with circumspection, with limitations on their number and frequency and without interference to the smooth running of operations. Governments and port authorities might find inspiration in this sphere in the basic principles and approach adopted by Morocco, as described in document UNCTAD/SHIP/627.

3. The new services offered by some ports include trans-shipment. The Group recommends that countries wishing to develop trans-shipment facilities and activities take note of the study of this matter made by UNCTAD (TD/B/C.4/AC.7/10) and allow their policy to be guided by its conclusions and recommendations. The Group recommends that regional and international port associations and the UNCTAD secretariat continue to work towards the establishment of co-operation agreements on a regional basis in order to avoid excessive competition leading to investments too large for their purpose and under-utilized. The Group invites port authorities to attempt to involve shipping-lines in the construction of trans-shipment facilities since they are the principal users of these facilities. With respect to the role that developing-country ship operators are called upon to play in this area of

trans-shipment, the Group considers that they can play an appreciable role, and that they could usefully try to co-operate or to form associations in order to be in a better position to face up to market requirements. That is, however, a matter with which the UNCTAD Committee on Shipping should concern itself directly as its competence is broader than that of the Group.

4. The Group expressed its deep concern about the changes in the dimensions of containers. It took note of the work of the Committee on Shipping in this area and asked to be kept informed of any further development.

5. The Group welcomes the excellent co-operation between UNCTAD and the World Bank regarding the maintenance of port equipment, which is a sine qua non for the proper functioning of ports at the present time owing to their considerable mechanization. The principles set out in UNCTAD and World Bank documents should be an inspiration to governmental and port authorities in this area. The Group is of the opinion that it would be useful to make an examination at the international level of the possibilities of applying some principles or rules to avoid the proliferation in the same port of equipment having incompatible parts, and requests financing institutions, donor countries and manufacturers to attempt to reach agreement on some guiding principles.

6. In the sphere of data processing and the use of computers in ports, the Group welcomes the efforts made by UNCTAD and recommends that they be stepped up and continued. It encourages port authorities to computerize their management and operating systems because a low level of development is not incompatible with intensive use of computers provided that the requirements are precisely formulated, in which respect the Group recommends that computer-use diagrams be prepared. It also recommends that priority be given to the training of personnel and urges financing institutions to assist the UNCTAD secretariat in carrying out in developing countries the training programme presented at the meeting. Lastly, it recommends that port authorities promote the development of computerized systems for electronic data interchange (EDI) because of the greater efficiency and reliability, and the reduction of wasted time, losses and costs that they make possible.

7. With regard to co-operation between ports in developing countries, the Group noted with satisfaction the UNCTAD document on this matter (TD/B/C.4/AC.7/8) and endorsed its recommendations for the strengthening of this co-operation, particularly in the spheres of training, the exchange of

local know-how, and participation in the activities of regional and international port associations. The Group further recommends that financing institutions give priority to assistance programmes in these spheres.

B. Specific recommendations concerning technical assistance and training activities and the secretariat's future study programme

8. The Group welcomes the complementary nature and quality of the secretariat's work in these high-priority areas. However, it expresses its concern on noting that the resources currently available for carrying out these activities are less than those that were available at the time of the Group's first meeting, although they were then already less than the resources that had been available at the beginning of the 1970's. The Secretary-General of UNCTAD and donor countries should encourage the application of sufficient resources to enable the following recommendations to be implemented. The Group welcomes the strengthening of co-operation between UNCTAD, IMO and ILO, and requests that this co-operation be further stepped up.

1. Technical co-operation and training

9. The UNCTAD secretariat is recommended to give high priority to these activities and, in particular, to assist developing countries in applying UNCTAD studies. It is recommended that UNDP and donor countries finance the highly useful programmes of interregional advisers to promote the application of the studies and the IPP, TRAINMAR and JOBMAR training programmes. On this matter, the Group considers that the recommendations of the mission evaluating the Division's technical assistance and training programme are relevant, in particular when they call for a strengthening of the co-ordination between these programmes. The Group considers that the whole of the population concerned must be trained if training is to yield results. Hence the importance of programmes covering all needs on each subject, as recommended by UNCTAD, when producing an integrated training programme on port equipment, which can incorporate the various activities carried out by the United Nations system, and by other organizations, and by countries. The Group is of the opinion that, in developing new courses, the secretariat should give priority to topics that are directly linked with the development of the new functions and the new role of the port. In that context, the spheres of computerization and data interchange, planning, the fixing of tariffs, and the promotion of port and trading policy should be given priority for the production of teaching material and the training of instructors to give courses on general policy and promote the IPP programme in the main working languages of the

organization, so as to assist the developing countries to prepare for these changes. The financing of monitoring and training projects for middle-level and lower-level management at the national level and in the context of the TRAINMAR programme is equally desirable. Generally speaking, the Group recommends that those projects that have been adopted as priority projects and have received financing be carried through to completion.

2. Future study programme

10. Many participants, particularly those from developing countries, said that they had derived great benefit from reading the UNCTAD port studies and from the courses or seminars they had attended on the subjects dealt with in the studies. The Group recommends that the necessary measures should be taken to ensure that these prestigious research activities are actively pursued, if necessary with the collaboration of other competent international organizations. Most developing countries lack the means to carry out such research, are particularly appreciative of the work done, and would like UNCTAD to be a reference and research centre for them in the matter of ports and to have particular regard for their concerns.

11. Having examined the proposals of the secretariat, and in the light of the discussion on the matter, the Group recommends that priority be given to the following five studies:

- The principles of modern port management and organizations;
- Development of the commercial function, promotion of the port area and of the concept of the port as a service centre;
- Development of human resources;
- The legal and regulatory aspects of port activities;
- Strategic planning.

12. It further asks that the following additional studies be undertaken when sufficient resources are available:

- The fixing of tariffs and port finances;
- Relations between the city and the port;
- Trans-shipment (case study in a developing country).

13. The Group welcomes the co-operation between UNCTAD and IAPH in the production of monographs dealing with practical subjects of use in the sphere of port development, improvement and administration, making use of the experience gained in a port that may be of use to the international community. It recommends that this experiment be continued.

14. The Group welcomes the setting-up, in accordance with these recommendations, of an informal network of focal points to facilitate the flow of information between UNCTAD and ports. It recommends that the network be extended to all countries. The port bulletin published by the secretariat has been very well received and should continue to be published at least once a year and, if possible, twice, with the addition of information of a technical nature on the most recent developments of direct interest to ports.

15. In conclusion, the Group recommends that the Committee on Shipping convene a further session of the Group between its fifteenth and sixteenth sessions with an agenda comparable to that of the present session, but comprising, if possible, a high-level seminar for senior port officials.
